

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



December 17, 1992

ALL-COUNTY LETTER NO. 92-114

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

- ☐ State Law Change
- ☒ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☐ Initiated by SDSS

SUBJECT: AFDC HOMELESS ASSISTANCE REGULATION REVISIONS

REFERENCES: MPP SECTION 44-211.5

This provides information about revisions to the AFDC Homeless Assistance regulations. The revisions are necessary for federal approval of our state plan amendment on Homeless Assistance and to comply with federal regulations and state law. The effective date of these emergency regulations is January 1, 1993.

The significant changes in the regulations are:

- o Redefines homelessness to include the need for commercial shelter.
- o Repeals the designation of Homeless Assistance payments as overpayments when the recipient does not use the payments for commercial shelter or does not provide verification of commercial shelter use.

A more detailed description of the regulation changes is contained in Attachment I.

ATTACHMENTS

Attachment I is a list of changes to the regulations.

Attachment II is a draft copy of the regulations.

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CONTACT

If you have any questions on the regulation revisions, you may contact Yvonne Lee at (916) 654-1043 or CALNET 464-1043.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael C. Genest". The signature is fluid and cursive, with the first name "Michael" being more prominent and the last name "Genest" following in a similar style.

MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

Attachments

ATTACHMENT I

REVISIONS TO AFDC HOMELESS ASSISTANCE REGULATIONS

Following is a list of the Homeless Assistance regulations which were revised with a description of the change. The revised regulations have an effective date of January 1, 1993.

<u>MPP</u>	<u>REGULATION</u>	<u>CITE</u>	<u>CHANGE</u>
1)	44-211.511		.511(c) a minor change is made to accommodate the adoption of .511(d). .511(d) is adopted to add the need for housing in a commercial establishment or other specific living arrangement to the definition of homelessness.
2)	44-211.517(a)	(3)	Amended to change the reference from 44-211.526 to 44-211.511(d).
3)	44-211.526(a) 44-211.532(e)		Amended to delete references to overpayments which result when Homeless Assistance payments are not used on commercial shelter or when verification of shelter expenditures is not provided.

Amend Sections 44-211.511, .517(a)(2) and (3), .52, and .532 to read:

44-211 SPECIAL NEEDS IN AFDC (Continued)

42-211

.5 Homeless Assistance

.51 General (Continued)

.511 An AU is considered homeless when: (Continued)

(c) It is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings/;

(d) And it has a need for housing in a commercial establishment, shelter, publicly-funded transitional housing, or from a person in the business of renting properties who has a history of renting properties.
(Continued)

.517 The county shall make restricted payments when the county establishes a finding of mismanagement of AFDC cash assistance. A restricted payment is a vendor or two-party payment to a provider of temporary shelter, permanent housing or utilities for any future homeless assistance payments associated with the incident of homelessness.

(a) Mismanagement exists only when:

(1) The county determines that the homeless assistance payment was not used for shelter; or

(2) The AU fails to provide verification that the temporary shelter payment was spent on shelter, and/or as required under Section 44-211.532(d) for permanent housing; or

(3) The AU provides verification which shows the homeless assistance payment was not paid to a provider who is a commercial establishment, etc., as specified in Section 44-211.~~526~~511(d). (Continued)

.52 Temporary Shelter (Continued)

.526 In order for the homeless assistance program to be available to meet shelter costs, the AU shall use a provider of housing who is a commercial establishment, shelter, publicly funded transitional housing, or person in the business of renting properties who has a history of renting properties.

(a) When the AU fails to pay a provider in accordance with this requirement, the county shall follow ~~the overpayment requirements in Sections 44-250 through 44-253 and~~ the restricted payment provisions of Section 44-211.517.

HANDBOOK BEGINS HERE

(1) Example:

The AU receives three days of temporary shelter assistance in the amount of \$90. On the fourth day, the AU returns to the CWD for an extension of benefits. The AU provides a receipt that shows payment was made on two nights at XYZ Motel in the amount of \$75. The AU provides a receipt that shows on the third night the AU stayed with a friend who is not in the business of providing shelter and paid the friend \$15. The county determines that the third night the AU failed to pay a provider in accordance with this requirement. The county establishes that there is a \$15 overpayment and mismanagement of funds exists and the subsequent payment is made as a restricted payment.

(2) Example:

The AU receives three nights of temporary shelter in the amount of \$90. The AU returns on the fourth day to request an extension of benefits. The AU provides a receipt that shows the AU stayed in a shelter three nights at a cost of \$15. The AU has met the requirement of staying in a commercial establishment.

(3) Example:

The AU receives \$90 for three nights of shelter. The AU returns on the fourth night for an extension of benefits. The AU provides verification that shows \$100 was spent on two nights of shelter at the XYZ Motel. The third night the AU stayed with a friend at no cost. The AU has met the requirement of staying in a commercial establishment.

HANDBOOK ENDS HERE

.53 Permanent Housing (Continued)

.532 An amount not to exceed two months of an AU's rent, as described in MPP Section 44-211.531, is available to pay for the reasonable costs of security deposits when the deposits are a condition of securing a permanent residence. (Continued)

- (c) In order for the homeless assistance program to be available to meet the cost of security deposits, the recipient must pay the permanent housing assistance to a commercial establishment or a person in the business of renting properties who has a history of renting properties.
- (d) The recipient shall provide verification within 30 calendar days of having received the permanent housing assistance payment of:

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- (1) The amount expended for permanent housing.
- (2) The payment of the permanent housing assistance to a commercial establishment or a person in the business of renting properties who has a history of renting properties.
- (e) Should the recipient fail to provide verification, the county shall make a determination as to whether the payment was used for permanent housing rented from a commercial establishment or a person in the business of renting properties.
 - (1) A determination that the payment was not used for permanent housing or used to pay a commercial establishment or a person in the business of renting properties shall result in an overpayment a determination that mismanagement of funds exists.
(Continued)

Authority Cited: Sections 10553, 10554, 11209 and 11450(g), Welfare and Institutions Code.

Reference: Sections 11266(a)(2), 11271, 11272, 11273, 11450(a)(1), (b), and (c), 11450(f)(2) and 11453.2, Welfare and Institutions Code; 45 CFR 206.10(a)(1)(ii), 45 CFR 206.10(a)(8), 45 CFR 233.10(a)(1)(iv), 45 CFR 233.20(a)(2)(v)(A), ~~45 CFR 233.20(a)(2)(v)(A)~~ and 45 CFR 234.11, and 45 CFR 234.60(a)(2)-(11).